

Form **990-PF**

OMB No. 1545-0052

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

2008Department of the Treasury
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2008, or tax year beginning **Jul 1**, 2008, and ending **Jun 30**, 2009G Check all that apply: ☐ Initial return ☐ Final return ☐ Amended return ☒ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation PHOENIX FAMILY HOUSING CORP		A Employer identification number 68-0101133
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 2838 WARWICK TRAFFICWAY		B Telephone number (see the instructions) (816) 561-1033
	City or town KANSAS CITY	State ZIP code MO 64108	C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 915,587.		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc., received (att sch)	602,765.			
	2 Ch <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	2.		2.	
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	-137,081.	L-6a Stmt		
	b Gross sales price for all assets on line 6a	60,000.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
See Line 11 Stmt	933,526.		933,526.		
12 Total. Add lines 1 through 11	1,399,212.		933,528.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc.	72,864.		72,864.	72,864.
	14 Other employee salaries and wages	822,020.		822,020.	822,020.
	15 Pension plans, employee benefits	108,675.		108,675.	108,675.
	16a Legal fees (attach schedule)	276.		276.	276.
	b Accounting fees (attach sch)	73,145.		73,145.	73,145.
	c Other prof fees (attach sch)	20,799.		20,799.	20,799.
	17 Interest				
	18 Taxes (attach schedule) PAYROLL TAX EXP	80,883.		80,883.	80,883.
	19 Depreciation (attach sch) and depletion	13,327.		13,327.	
	20 Occupancy	17,434.		17,434.	17,434.
	21 Travel, conferences, and meetings	29,061.		29,061.	29,061.
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	See Line 23 Stmt	288,125.		293,483.	293,483.
	24 Total operating and administrative expenses. Add lines 13 through 23	1,526,609.		1,531,967.	1,518,640.
25 Contributions, gifts, grants paid					
26 Total expenses and disbursements. Add lines 24 and 25	1,526,609.		1,531,967.	1,518,640.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-127,397.				
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)			0.		

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

Beginning of year

End of year

(a) Book Value

(b) Book Value

(c) Fair Market Value

ASSETS	1	Cash — non-interest-bearing	680,409.	788,783.	788,783.
	2	Savings and temporary cash investments		49,981.	49,981.
	3	Accounts receivable <u>18,881.</u>			
		Less: allowance for doubtful accounts <u>0.</u>	116,605.	18,881.	18,881.
	4	Pledges receivable <u>16,279.</u>			
		Less: allowance for doubtful accounts <u>0.</u>		16,279.	16,279.
	5	Grants receivable		32,860.	32,860.
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7	Other notes and loans receivable (attach sch) <u>0.</u>			
		Less: allowance for doubtful accounts <u>0.</u>	172,810.	0.	0.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	5,844.	2,036.	2,036.
	10a	Investments — U.S. and state government obligations (attach schedule)			
	b	Investments — corporate stock (attach schedule)			
	c	Investments — corporate bonds (attach schedule)			
LIABILITIES	11	Investments — land, buildings, and equipment: basis <u>66,334.</u>			
		Less: accumulated depreciation (attach schedule) <u>29,567.</u>	37,095.	36,767.	6,767.
	12	Investments — mortgage loans			
	13	Investments — other (attach schedule)			
	14	Land, buildings, and equipment: basis <u>66,334.</u>			
		Less: accumulated depreciation (attach schedule) <u>29,567.</u>	37,095.	36,767.	6,767.
	15	Other assets (describe <u>1-15 Stmt</u>)			
	16	Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	1,012,763.	945,587.	915,587.
	17	Accounts payable and accrued expenses	52,391.	53,822.	
	18	Grants payable			
	19	Deferred revenue	374,187.	462,977.	
	20	Loans from officers, directors, trustees, & other disqualified persons			
NET FUND ASSETS OR	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe <u>ADVANCE PAYABLE</u>)	30,000.	0.	
	23	Total liabilities (add lines 17 through 22)	456,578.	516,799.	
		Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	556,185.	428,788.	
	30	Total net assets or fund balances (see the instructions)	556,185.	428,788.	
	31	Total liabilities and net assets/fund balances (see the instructions)	1,012,763.	945,587.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	556,185.
2	Enter amount from Part I, line 27a.	2	-127,397.
3	Other increases not included in line 2 (itemize) <u> </u>	3	
4	Add lines 1, 2, and 3	4	428,788.
5	Decreases not included in line 2 (itemize) <u> </u>	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	428,788.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)

(b) How acquired
P — Purchase
D — Donation(c) Date acquired
(month, day, year)(d) Date sold
(month, day, year)

1 a			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).

If gain, also enter in Part I, line 7
If (loss), enter -0- in Part I, line 7

2

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):

If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0-
in Part I, line 8

3

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2007	1,560,088.	0.	0.000000
2006	1,596,999.	0.	0.000000
2005	1,458,637.	0.	0.000000
2004	1,494,551.	0.	0.000000
2003	1,364,738.	0.	0.000000

2 Total of line 1, column (d)

2

0.000000

3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the
number of years the foundation has been in existence if less than 5 years

3

0.000000

4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5

4

0.

5 Multiply line 4 by line 3

5

0.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6

7 Add lines 5 and 6

7

0.

8 Enter qualifying distributions from Part XII, line 4

8

1,518,640.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the
Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see the instructions)

1	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary — see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b.	1	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	0.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	0.
6	Credits/Payments:		
a	2008 estimated tax pmts and 2007 overpayment credited to 2008	6a	
b	Exempt foreign organizations — tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	0.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached.	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.
11	Enter the amount of line 10 to be: Credited to 2009 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b	X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?	1c	X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities.	2	X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes.	3	X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T.	5	X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	7	X
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) See States Registered In		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation.	8b	X
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? If 'Yes,' complete Part XIV.	9	X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses.	10	X

Part VII-A Statements Regarding Activities Continued

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(3)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>PHOENIX FAMILY HOUSING CORP</u> Telephone no. <u>(816) 561-1033</u> Located at <u>2838 WARWICK TRAFFICWAY</u> <u>KANSAS CITY</u> <u>MO</u> ZIP + 4 <u>64108</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement — see the instructions.)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If 'Yes,' did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008.)	3b	
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☒ Yes ☐ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b X

Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If you answered 'Yes' to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

7b

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
KIMBERLY M GIVNER 2838 WARWICK TRAFFICWAY KANSAS CITY MO 64108	EXC DIRECTOR 40.00	72,864.	3,230.	0.
JONATHAN R. COHN 7920 WARD PARKWAY KANSAS CITY MO 64114	CHAIRMAN 1.00	0.	0.	0.
ULYSSES "DEKE" CLAYBORN 2300 MAIN, STE 900 KANSAS CITY MO 64108	SECRETARY 0.50	0.	0.	0.
See information about Officers, Directors, Trustees, Etc.		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JACKIE D. CORNELISON 2838 WARWICK TRAFFICWAY KANSAS CITY MO 64108	EMPLOYEE 40.00	56,788.	6,458.	0.
LAUREL E. GROH 2838 WARWICK TRAFFICWAY KANSAS CITY MO 64108	EMPLOYEE 40.00	47,319.	5,750.	0.
0				
0				
0				

Total number of other employees paid over \$50,000

2

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	0.
b Average of monthly cash balances	1b	0.
c Fair market value of all other assets (see instructions)	1c	0.
d Total (add lines 1a, b, and c)	1d	0.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	0.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	0.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	0.
6 Minimum investment return. Enter 5% of line 5	6	0.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	0.
2a Tax on investment income for 2008 from Part VI, line 5	2a	0.
b Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	0.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	0.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	0.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	0.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1a	1,518,640.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,518,640.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,518,640.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				0.
2 Undistributed income, if any, as of the end of 2007:				
a Enter amount for 2007 only			39,372.	
b Total for prior years: 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2008:				
a From 2003	1,364,738.			
b From 2004	1,494,551.			
c From 2005	1,458,637.			
d From 2006	1,596,999.			
e From 2007	1,560,088.			
f Total of lines 3a through e	7,475,013.			
4 Qualifying distributions for 2008 from Part XII, line 4: \$ 1,518,640.				
a Applied to 2007, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2008 distributable amount				
e Remaining amount distributed out of corpus	1,518,640.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	8,993,653.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see instructions			39,372.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see instructions)	1,364,738.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	7,628,915.			
10 Analysis of line 9:				
a Excess from 2004	1,494,551.			
b Excess from 2005	1,458,637.			
c Excess from 2006	1,596,999.			
d Excess from 2007	1,560,088.			
e Excess from 2008	1,518,640.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling: _____

b Check box to indicate whether the foundation is a private operating foundation described in section ☒ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed: _____

Tax year	Prior 3 years			(e) Total
(a) 2008	(b) 2007	(c) 2006	(d) 2005	
0.	0.	0.	0.	

b 85% of line 2a: _____

c Qualifying distributions from Part XII, line 4 for each year listed: _____

d Amounts included in line 2c not used directly for active conduct of exempt activities: _____

e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c: _____

3 Complete 3a, b, or c for the alternative test relied upon:

a 'Assets' alternative test — enter:

(1) Value of all assets: _____

(2) Value of assets qualifying under section 4942(j)(3)(B)(i): _____

b 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed: _____

0. 0. 0. 0.

c 'Support' alternative test — enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties): _____

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii): _____

(3) Largest amount of support from an exempt organization: _____

(4) Gross investment income: _____

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year — see instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc. Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

N/A

b The form in which applications should be submitted and information and materials they should include:

N/A

c Any submission deadlines:

N/A

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i>				
Total				3a
<i>b Approved for future payment</i> NONE		N/A	N/A	
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514	
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	(e) Related or exempt function income (see the instructions)
1 Program service revenue:					
a PROGRAM SERVICE FEES					836,978.
b PROJECT MANAGEMENT FEES					90,200.
c ENTREPRENEUR SALES - KIDS PROJECTS					1,366.
d INTERCOMPANY REIMBURSEMENTS					4,982.
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	2.	
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			6	-137,081.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				-137,079.	933,526.
13 Total. Add line 12, columns (b), (d), and (e)				13	796,447.

(See worksheet in the instructions for line 13 to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

2008Attachment
Sequence No. **67**

Name(s) shown on return

PHOENIX FAMILY HOUSING CORP

Identifying number

68-0101133

Business or activity to which this form relates

Form 990-PF page 1

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses.	1	\$250,000.
2	Total cost of section 179 property placed in service (see instructions).	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions).	3	\$800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29.	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8.	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562.	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs.).	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12.	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions).	14	
15	Property subject to section 168(f)(1) election.	15	
16	Other depreciation (including ACRS).	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2008.	17	12,027.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here. <input type="checkbox"/>		

Section B — Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property		13,000.	5	HY	SL	1,300.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	

Section C — Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life				S/L	
b 12-year			12 yrs	S/L	
c 40-year			40 yrs	MM	S/L

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28.	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions.	22	13,327.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									24b If 'Yes,' is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost		
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).								25		
26 Property used more than 50% in a qualified business use:										
27 Property used 50% or less in a qualified business use:										
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.								28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.								29		

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?		X		X		X						
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	X	
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
39 Do you treat all use of vehicles by employees as personal use?		X
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		X
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year (see instructions):					
43 Amortization of costs that began before your 2008 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report.					44

Name PHOENIX FAMILY HOUSING CORP	Employer Identification Number 68-0101133
-------------------------------------	--

Asset Information:

Description of Property:..... DISCOUNTED NOTE RECEIVABLE	
Date Acquired: .. 08/01/02	How Acquired:..... Donated
Date Sold: 06/30/09	Name of Buyer: PFHC OLIVE PARK INC
Sales Price: 60,000.	Cost or other basis (do not reduce by depreciation).... 197,081.
Sales Expense: ..	Valuation Method:..... Fair Market Value
Total Gain (Loss):..... -137,081.	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Description of Property:.....	
Date Acquired: ..	How Acquired:.....
Date Sold:	Name of Buyer:
Sales Price:	Cost or other basis (do not reduce by depreciation)....
Sales Expense: ..	Valuation Method:.....
Total Gain (Loss):.....	Accumulation Depreciation:

Form 990-PF, Page 1, Part I, Line 11

Line 11 Stmt

Other income:	Rev/Exp Book	Net Inv Inc	Adj Net Inc
PROGRAM SERVICE FEES	836,978.		836,978.
PROJECT MANAGEMENT FEES	90,200.		90,200.
ENTREPRENEUR SALES - KIDS PROJEC	1,366.		1,366.
INTERCOMPANY REIMBURSEMENTS	4,982.		4,982.
Total	933,526.		933,526.

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
RESIDENT ACTIVITIES	29,590.		29,590.	29,590.
FOOD PANTRY EXPENSE	1,767.		1,767.	1,767.
RESIDENT TRANSPORTATION EXP	13,171.		13,171.	13,171.
BACK TO SCHOOL SUPPLIES & EVENTS	5,902.		5,902.	5,902.
KIDS ENTREPRENEUR SUPPLIES	2,052.		2,052.	2,052.
TUTORING & EDUCATIONAL SERVICES	1,937.		1,937.	1,937.
GARDENING SUPPLIES FOR RESIDENTS	1,041.		1,041.	1,041.
UTILITIES - OFFICE	2,023.		2,023.	2,023.
EMERGENCY ASSISTANCE - UTILITIES	18,362.		18,362.	18,362.
EMERGENCY ASSISTANCE - OTHER	15,864.		15,864.	15,864.
EMERGENCY ASSISTANCE - RENT	32,045.		32,045.	32,045.
VEHICLE EXPENSES - NET OF REIMB	-2,679.		2,679.	2,679.
STAFF DEVELOPMENT	5,372.		5,372.	5,372.
OFFICE SUPPLIES	25,217.		25,217.	25,217.
TELEPHONE	20,381.		20,381.	20,381.
INTERNET FEES	2,128.		2,128.	2,128.
POSTAGE & SHIPPING	2,003.		2,003.	2,003.
PRINTING & COPYING	11,894.		11,894.	11,894.
EQUIP RENTAL & MAINT	572.		572.	572.
MEMBERSHIP DUES	4,789.		4,789.	4,789.
BOARD EXPENSES	459.		459.	459.
COMPUTER MAINT & SOFTWARE	18,988.		18,988.	18,988.
ADVERTISING EXP	553.		553.	553.
GIFTS FOR SPECIAL OCCASIONS	1,090.		1,090.	1,090.
BAD DEBT EXP	2,000.		2,000.	2,000.
APPLICATION FEES & BANK CHARGES	2,330.		2,330.	2,330.
FUNDRAISING FEES	1,656.		1,656.	1,656.
PAYROLL ADMINISTRATION	14,059.		14,059.	14,059.
WORKMAN'S COMP INS	23,766.		23,766.	23,766.
VEHICLE & PROPERTY INS	10,700.		10,700.	10,700.
AUDIT FEES	19,093.		19,093.	19,093.
Total	288,125.		293,483.	293,483.

Form 990-PF, Page 4, Part VII-A, Line 8a

States Registered In

CA - California

MO - Missouri

NM - New Mexico

OK - Oklahoma

KS - Kansas

WA - Washington

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> ERICA DOBREFF 2 CLEAVER BLVD, STE 405 KANSAS CITY MO 64112	ASST SEC. 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> DAVID DUCKWITZ 10975 GRANDVIEW DRIVE, STE 600 OVERLAND PARK KS 66210	TREASURER 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> RICK KAHLE 444 W. 47TH STREET, STE 600 KANSAS CITY MO 64112	VICE-PRES 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> MARIANNE SCHUMANN 7920 WARD PARKWAY KANSAS CITY MO 64114	DIRECTOR 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> MICHAEL BIRGER 30 PERSHING ROAD KANSAS CITY MO 64108	DIRECTOR 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> CHARLES VINCENT 18300 W. 161ST STREET OLATHE KS 66062	DIRECTOR 0.50	0.	0.	0.
Person ... <input checked="" type="checkbox"/> Business ... <input type="checkbox"/> ANTHONY WILLIAMS 6805 WEST 146TH CT. # 34202 OVERLAND PARK KS 66223	DIRECTOR 0.50	0.	0.	0.

Total

0. 0. 0.

Miscellaneous Statement

CHANGE IN ACCOUNTING METHOD - CASH TO ACCRUAL		
THE ENTITY HAS FILED AND ATTACHED IRS FORM 3115 TO REFLECT AN AUTOMATIC CHANGE REQUEST TO REPORT ITS REVENUE AND EXPENSES ON AN ACCRUAL BASIS CONSISTENT WITH ITS FINANCIAL BOOK RECORDS AND CONSISTANT WITH ITS ANNUAL REPORTS PREPARED AND PRESENTED TO OUTSIDE INTERESTED PARTIES.		
IN THAT REGARD, THE BEGINNING BALANCE SHEET ON PAGE 2 OF FORM 990-PF HAS BEEN RESTATED TO REFLECT ACCRUAL BALANCES AS OF 7-1-08. ALL INCOME AND EXPENSE FOR YEAR ENDED 6-30-09 ARE REFLECTED BASED ON ACCRUAL ACCOUNTING AS IS THE ENDING BALANCE SHEET AT 6-30-09.		

Total

Application for Change in Accounting Method

OMB No. 1545-0152

Name of filer (name of parent corporation if a consolidated group) (see instructions)		Identification number (see instructions)	
PHOENIX FAMILY HOUSING CORP		68-0101133	
Number, street, and room or suite no. if a P.O. box, see the instructions		Principal business activity code number (see instructions)	
2838 WARWICK TRAFFICWAY		Tax Exempt Entity - Provides Family Support	
City or town, state, and ZIP Code		Tax year of change begins (MM/DD/YYYY) 07/01/2008	
KANSAS CITY MO 64108		Tax year of change ends (MM/DD/YYYY) 06/30/2009	
Name of applicant(s) (if different than filer) and identification number(s) (see instructions)		Name of contact person (see instructions)	
		Eldon G. Walter, CPA	
		Contact person's telephone number	

If the applicant is a member of a consolidated group, check this box ☐
 If Form 2848, Power of Attorney and Declaration of Representative, is attached, check this box ☐

<p>Check the box to indicate the applicant.</p> <p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Corporation</p> <p><input type="checkbox"/> Controlled foreign corporation (Section 957)</p> <p><input type="checkbox"/> 10/50 corporation (Section 904(d)(2)(E))</p> <p><input type="checkbox"/> Qualified personal service corporation (Section 448(d)(2))</p> <p><input checked="" type="checkbox"/> Exempt organization. Enter Code section <u>501(c)3 corp</u></p>	<p>Check the appropriate box to indicate the type of accounting method change being requested. (see instructions)</p> <p><input type="checkbox"/> Depreciation or Amortization</p> <p><input type="checkbox"/> Financial Products and/or Financial Activities of Financial Institutions</p> <p><input checked="" type="checkbox"/> Other (specify) <u>CASH TO ACCRUAL ELIGIBLE FOR AUTOMATIC CHANGE PROCEDURES</u></p>
<p><input type="checkbox"/> Cooperative (Section 1381)</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> S corporation</p> <p><input type="checkbox"/> Insurance company (Section 816(a))</p> <p><input type="checkbox"/> Insurance company (Section 831)</p> <p><input type="checkbox"/> Other (specify) _____</p>	

Caution: The applicant must provide the requested information to be eligible for approval of the requested accounting method change. The applicant may be required to provide information specific to the accounting method change such as an attached statement. The applicant must provide all information relevant to the requested accounting method change, even if not specifically requested by the Form 3115.

Part I Information For Automatic Change Request	Yes	No
1 Enter the requested designated accounting method change number from the List of Automatic Accounting Method Changes (see instructions). Enter only one method change number, except as provided for in the instructions. If the requested change is not included in that list, check 'Other,' and provide a description. (a) Change No. <u>122</u> (b) Other <input type="checkbox"/> Description _____		
2 Is the accounting method change being requested one for which the scope limitations of section 4.02 of Rev Proc 2002-9 (or its successor) do not apply? If 'Yes,' go to Part II.	X	
3 Is the tax year of change the final tax year of a trade or business for which the taxpayer would be required to take the entire amount of the section 481(a) adjustment into account in computing taxable income? If 'Yes,' the applicant is not eligible to make the change under automatic change request procedures.		X

Note: Complete Part II below and then Part IV, and also Schedules A through E of this form (if applicable).

Part II Information for All Requests	Yes	No
4a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) under examination (see instructions)? If you answered 'No', go to line 5.		X
b Is the method of accounting the applicant is requesting to change an issue (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) either (i) under consideration or (ii) placed in suspense (see instructions)?		

Signature (see instructions)

Under penalties of perjury, I declare that I have examined this application, including accompanying schedules and statements, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, and it is true, correct, and complete. Declaration of preparer (other than applicant) is based on all information of which preparer has any knowledge.

Filer

Preparer (other than filer/applicant)

Signature and date

Signature of individual preparing the application and date

Name and title (print or type)

Name of individual preparing the application (print or type)

FINANCIAL WELLNESS SERVICES LLC

Financial Wellness Services LLC
1251 N.W. BRIARCLIFF PARKWAY, STE. 120
KANSAS CITY MO 64116

Name of firm preparing the application

Part II Information For All Requests (continued)

	Yes	No
4c Is the method of accounting the applicant is requesting to change an issue pending (with respect to either the applicant or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) for any tax year under examination (see instructions)?		X
d Is the request to change the method of accounting being filed under the procedures requiring that the operating division director consent to the filing of the request (see instructions)? If 'Yes,' attach the consent statement from the director.		X
e Is the request to change the method of accounting being filed under the 90-day or 120-day window period? If 'Yes,' check the box for the applicable window period and attach the required statement (see instructions). <input type="checkbox"/> 90 day <input type="checkbox"/> 120 day		X
f If you answered 'Yes' to line 4a, enter the name and telephone number of the examining agent and the tax year(s) under examination. Name <input type="text"/> Telephone number <input type="text"/> Tax year(s) <input type="text"/>		
g Has a copy of this Form 3115 been provided to the examining agent identified on line 4f?		
5a Does the applicant (or any present or former consolidated group in which the applicant was a member during the applicable tax year(s)) have any Federal income tax return(s) before Appeals and/or a Federal court? If 'Yes,' enter the name of the (check the box) <input type="checkbox"/> Appeals officer and/or <input type="checkbox"/> counsel for the government, and the tax year(s) before Appeals and/or a Federal court. Name <input type="text"/> Telephone number <input type="text"/> Tax year(s) <input type="text"/>		X
b Has a copy of this Form 3115 been provided to the Appeals officer and/or counsel for the government identified on line 5a?		
c Is the method of accounting the applicant is requesting to change an issue under consideration by Appeals and/or a Federal court (for either the applicant or any present or former consolidated group in which the applicant was a member for the tax year(s) the applicant was a member)? If 'Yes,' attach an explanation.		
6 If the applicant answered 'Yes' to line 4a and/or 5a with respect to any present or former consolidated group, provide each parent corporation's (a) name, (b) identification number, (c) address, and (d) tax year(s) during which the applicant was a member that is under examination, before an Appeals office, and/or before a Federal court.		
7 If the applicant is an entity (including a limited liability company) treated as a partnership or S corporation for Federal income tax purposes, is it requesting a change from a method of accounting that is an issue under consideration in an examination, before Appeals, or before a Federal court, with respect to a Federal income tax return of a partner, member, or shareholder of that entity? If 'Yes,' the applicant is not eligible to make the change.		
8 Is the applicant making a change to which audit protection does not apply (see instructions)?		X
9a Has the applicant, its predecessor, or a related party requested or made (under either an automatic change procedure or a procedure requiring advance consent) a change in accounting method within the past 5 years (including the year of the requested change)?		X
b If 'Yes,' attach a description of each change and the year of change for each separate trade or business and whether consent was obtained.		
c If any application was withdrawn, not perfected, or denied, or if a Consent Agreement was sent to the taxpayer but was not signed and returned to the IRS, or if the change was not made or not made in the requested year of change, include an explanation.		
10a Does the applicant, its predecessor, or a related party currently have pending any request (including any concurrently filed request) for a private letter ruling, change in accounting method, or technical advice?		X
b If 'Yes,' for each request attach a statement providing the name(s) of the taxpayer, identification number(s), the type of request (private letter ruling, change in accounting method, or technical advice), and the specific issue(s) in the request(s).		
11 Is the applicant requesting to change its overall method of accounting?	X	
If 'Yes,' check the appropriate boxes below to indicate the applicant's present and proposed methods of accounting. Also, complete Schedule A on page 4 of the form.		
Present method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Hybrid (attach description)		
Proposed method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Hybrid (attach description)		
12 If the applicant is not changing its overall method of accounting, attach a detailed and complete description for each of the following:		
a The item(s) being changed.		
b The applicant's present method for the item(s) being changed.		
c The applicant's proposed method for the item(s) being changed.		
d The applicant's present overall method of accounting (cash, accrual, or hybrid).		

Part II Information For All Requests (continued)			Yes	No	
13	Attach a detailed and complete description of the applicant's trade(s) or business(es), and the principal business activity code for each. If the applicant has more than one trade or business as defined in Regulations section 1.446-1(d), describe: whether each trade or business is accounted for separately; the goods and services provided by each trade or business and any other types of activities engaged in that generate gross income; the overall method of accounting for each trade or business; and which trade or business is requesting to change its accounting method as part of this application or a separate application.				
14	Will the proposed method of accounting be used for the applicant's books and records and financial statements? For insurance companies, see the instructions. If 'No,' attach an explanation.			X	
15a	Has the applicant engaged, or will it engage, in a transaction to which section 381(a) applies (e.g., a reorganization, merger, or liquidation) during the proposed tax year of change determined without regard to any potential closing of the year under section 381(b)(1)?				X
b	If 'Yes,' for the items of income and expense that are the subject of this application, attach a statement identifying the methods of accounting used by the parties to the section 381(a) transaction immediately before the date of distribution or transfer and the method(s) that would be required by section 381(c)(4) or (c)(5) absent consent to the change(s) requested in this application.				
16	Does the applicant request a conference of right with the IRS National Office if the IRS proposes an adverse response?			X	
17	If the applicant is changing to or from the cash method or changing its method of accounting under sections 263A, 448, 460, or 471, enter the gross receipts of the 3 tax years preceding the year of change.				
	1st preceding year ended: mo 6 yr 2008	2nd preceding year ended: mo 6 yr 2007	3rd preceding year ended: mo 6 yr 2006		
	\$ 1,770,610.	\$ 1,749,822.	\$ 1,616,561.		

Part III Information For Advance Consent Request			Yes	No	
18	Is the applicant's requested change described in any revenue procedure, revenue ruling, notice, regulation, or other published guidance as an automatic change request?				
	If 'Yes,' attach an explanation describing why the applicant is submitting its request under advance consent request procedures.				
19	Attach a full explanation of the legal basis supporting the proposed method for the item being changed. Include a detailed and complete description of the facts that explains how the law specifically applies to the applicant's situation and that demonstrates that the applicant is authorized to use the proposed method. Include all authority (statutes, regulations, published rulings, court cases, etc.) supporting the proposed method. The applicant should include a discussion of any authorities that may be contrary to its use of the proposed method.				
20	Attach a copy of all documents related to the proposed change (see instructions).				
21	Attach a statement of the applicant's reasons for the proposed change.				
22	If the applicant is a member of a consolidated group for the year of change, do all other members of the consolidated group use the proposed method of accounting for the item being changed?				
	If 'No,' attach an explanation.				
23a	Enter the amount of user fee attached to this application (see instructions).. ► \$				
b	If the applicant qualifies for a reduced user fee, attach the necessary information or certification required by Rev Proc 2003-1 (or its successor) (see instructions).				

Part IV Section 481(a) Adjustment			Yes	No	
24	Do the procedures for the accounting method change being requested require the use of the cut-off method?				X
	If 'Yes,' do not complete lines 25, 26, and 27 below.				
25	Enter the section 481(a) adjustment. Indicate whether the adjustment is an increase (+) or a decrease (-) in income ► \$ -304,129. Attach a summary of the computation and an explanation of the methodology used to determine the section 481(a) adjustment. If it is based on more than one component, show the computation for each component. If more than one applicant is applying for the method change on the same application, attach a list of the name, identification number, principal business activity code (see instructions), and the amount of the section 481(a) adjustment attributable to each applicant.				
26	If the section 481(a) adjustment is an increase to income of less than \$25,000, does the applicant elect to take the entire amount of the adjustment into account in the year of change?				
27	Is any part of the section 481(a) adjustment attributable to transactions between members of an affiliated group, a consolidated group, a controlled group, or other related parties?				X
	If 'Yes,' attach an explanation.				

Schedule A – Change in Overall Method of Accounting (If Schedule A applies, Part I below must be completed.)**Part I Change in Overall Method** (see instructions)

- 1 Enter the following amounts as of the close of the tax year preceding the year of change. If none, state 'None.' Also, attach a statement providing a breakdown of the amounts entered on lines 1a through 1g.

	Amount
a Income accrued but not received	\$ 116,605.
b Income received or reported before it was earned. Attach a description of the income and the legal basis for the proposed method	-374,187.
c Expenses accrued but not paid	-52,391.
d Prepaid expenses previously deducted	5,844.
e Supplies on hand previously deducted and/or not previously reported	None
f Inventory on hand previously deducted and/or not previously reported. Complete Schedule D, Part II	None
g Other amounts (specify)	None
h Net section 481(a) adjustment (Combine lines 1a – 1g.)	\$ -304,129.

- 2 Is the applicant also requesting the recurring item exception under section 461(h)(3)? ☐ Yes ☒ No
- 3 Attach copies of the profit and loss statement (Schedule F (Form 1040) for farmers) and the balance sheet, if applicable, as of the close of the tax year preceding the year of change. On a separate sheet, state the accounting method used when preparing the balance sheet. If books of account are not kept, attach a copy of the business schedules submitted with the Federal income tax return or other return (e.g., tax-exempt organization returns) for that period. If the amounts in Part I, lines 1a through 1g, do not agree with those shown on both the profit and loss statement and the balance sheet, explain the differences on a separate sheet.

Part II Change to the Cash Method For Advance Consent Request (see instructions)

Applicants requesting a change to the cash method must attach the following information:

- 1 A description of inventory items (items whose production, purchase, or sale is an income-producing factor) and materials and supplies used in carrying out the business.
- 2 An explanation as to whether the applicant is required to use the accrual method under any section of the Code or regulations.

Schedule B – Change in Reporting Advance Payments (see instructions)

- 1 If the applicant is requesting to defer advance payment for services under Rev Proc 71-21, 1971-2 CB 549, attach the following information:
 - a Sample copies of all service agreements used by the applicant that are subject to the requested change in accounting method. Indicate the particular parts of the service agreement that require the taxpayer to perform services.
 - b If any parts or materials are provided, explain whether the obligation to provide parts or materials is incidental (of minor or secondary importance) to an agreement providing for the performance of personal services.
 - c If the change relates to contingent service contracts, explain how the contracts relate to merchandise that is sold, leased, installed, or constructed by the applicant and whether the applicant offers to sell, lease, install, or construct without the service agreement.
 - d A description of the method the applicant will use to determine the amount of income earned each year on service contracts and why that method clearly reflects income earned and related expenses in each year.
 - e An explanation of how the method the applicant will use to determine the amount of gross receipts each year will be no less than the amount included in gross receipts for purposes of its books and records. See section 3.11 of Rev Proc 71-21.
- 2 If the applicant is requesting a deferral of advance payments for goods under Regulations section 1.451-5, attach the following information:
 - a Sample copies of all agreements for goods or items requiring advance payments used by the applicant that are subject to the requested change in accounting method. Indicate the particular parts of the agreement that require the applicant to provide goods or items.
 - b A statement providing that the entire advance payment is for goods or items. If not entirely for goods or items, a statement that an amount equal to 95% of the total contract price is properly allocable to the obligation to provide activities described in Regulations section 1.451-5(a)(1)(i) or (ii) (including services as an integral part of those activities).
 - c An explanation of how the method the applicant will use to determine the amount of gross receipts each year will be no less than the amount included in gross receipts for purposes of its books and records. See Regulations section 1.451-5(b)(1).

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Schedule C – Changes Within the LIFO Inventory Method (see instructions)**Part I General LIFO Information**

Complete this section if the requested change involves changes within the LIFO inventory method. Also, attach a copy of all Forms 970, Application To Use LIFO Inventory Method, filed to adopt or expand the use of the LIFO method.

- 1 Attach a description of the applicant's present and proposed LIFO methods and submethods for each of the following items:
 - a Valuing inventory (e.g., unit method or dollar-value method).
 - b Pooling (e.g., by line or type or class of goods, natural business unit, multiple pools, raw material content, simplified dollar-value method, inventory price index computation (IPIC) pools, etc).
 - c Pricing dollar-value pools (e.g., double-extension, index, link-chain, link-chain index, IPIC method, etc).
 - d Determining the current year cost of goods in the ending inventory (e.g., most recent purchases, earliest acquisitions during the year, average cost of purchases during the year, etc).
- 2 If any present method or submethod used by the applicant is not the same as indicated on Form(s) 970 filed to adopt or expand the use of the method, attach an explanation.
- 3 If the proposed change is not requested for all the LIFO inventory, specify the inventory to which the change is and is not applicable.
- 4 If the proposed change is not requested for all of the LIFO pools, specify the LIFO pool(s) to which the change is applicable.
- 5 Attach a statement addressing whether the applicant values any of its LIFO inventory on a method other than cost. For example, if the applicant values some of its LIFO inventory at retail and the remainder at cost, the applicant should identify which inventory items are valued under each method.
- 6 If changing to the IPIC method, attach a completed Form 970 and a statement indicating the indexes, tables, and categories the applicant proposes to use.

Part II Change in Pooling Inventories

- 1 If the applicant is proposing to change its pooling method or the number of pools, attach a description of the contents of, and state the base year for, each dollar-value pool the applicant presently uses and proposes to use.
- 2 If the applicant is proposing to use natural business unit (NBU) pools or requesting to change the number of NBU pools, attach the following information (to the extent not already provided) in sufficient detail to show that each proposed NBU was determined under Regulations section 1.472-8(b)(1) and (2):
 - a A description of the types of products produced by the applicant. If possible, attach a brochure.
 - b A description of the types of processes and raw materials used to produce the products in each proposed pool.
 - c If all of the products to be included in the proposed NBU pool(s) are not produced at one facility, the applicant should explain the reasons for the separate facilities, indicate the location of each facility, and provide a description of the products each facility produces.
 - d A description of the natural business divisions adopted by the taxpayer. State whether separate cost centers are maintained and if separate profit and loss statements are prepared.
 - e A statement addressing whether the applicant has inventories of items purchased and held for resale that are not further processed by the applicant, including whether such items, if any, will be included in any proposed NBU pool.
 - f A statement addressing whether all items including raw materials, goods-in-process, and finished goods entering into the entire inventory investment for each proposed NBU pool are presently valued under the LIFO method. Describe any items that are not presently valued under the LIFO method that are to be included in each proposed pool.
 - g A statement addressing whether, within the proposed NBU pool(s), there are items both sold to unrelated parties and transferred to a different unit of the applicant to be used as a component part of another product prior to final processing.
- 3 If the applicant is engaged in manufacturing and is proposing to use the multiple pooling method or raw material content pools, attach information to show that each proposed pool will consist of a group of items that are substantially similar. See Regulations section 1.472-8(b)(3).
- 4 If the applicant is engaged in the wholesaling or retailing of goods and is requesting to change the number of pools used, attach information to show that each of the proposed pools is based on customary business classifications of the applicant's trade or business. See Regulations section 1.472-8(c).

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Schedule D – Change in the Treatment of Long-Term Contracts Under Section 460, Inventories, or Other Section 263A Assets (see instructions)**Part I Change in Reporting Income From Long-Term Contracts** (Also complete Part III on pages 7 and 8.)

- 1 To the extent not already provided, attach a description of the applicant's present and proposed methods for reporting income and expenses from long-term contracts. If the applicant is a construction contractor, include a detailed description of its construction activities.
- 2a Are the applicant's contracts long-term contracts as defined in section 460(f)(1) (see instructions)? ☐ Yes ☐ No
- b If 'Yes,' do all the contracts qualify for the exception under section 460(e) (see instructions)? ☐ Yes ☐ No
If line 2b is 'No,' attach an explanation.
- c If line 2b is 'Yes,' is the applicant requesting to use the percentage-of-completion method using cost-to-cost under Regulations section 1.460-4(b)? ☐ Yes ☐ No
- d If line 2c is 'No,' is the applicant requesting to use the exempt-contract percentage-of-completion method under Regulations section 1.460-4(c)(2)? ☐ Yes ☐ No
If line 2d is 'Yes,' explain what cost comparison the applicant will use to determine a contract's completion factor.
If line 2d is 'No,' explain what method the applicant is using and the authority for its use.
- 3a Does the applicant have long-term manufacturing contracts as defined in section 460(f)(2)? ☐ Yes ☐ No
- b If 'Yes,' explain the applicant's present and proposed method(s) of accounting for long-term manufacturing contracts.
- c Describe the applicant's manufacturing activities, including any required installation of manufactured goods.
- 4 To determine a contract's completion factor using the percentage-of-completion method:
- a Will the applicant use the cost-to-cost method in Regulations section 1.460-4(b)? ☐ Yes ☐ No
- b If line 4a is 'No,' is the applicant electing the simplified cost-to-cost method (see section 460(b)(3) and Regulations section 1.460-5(c))? ☐ Yes ☐ No
- 5 Attach a statement indicating whether any of the applicant's contracts are either cost-plus long-term contracts or Federal long-term contracts.

Part II Change in Valuing Inventories Including Cost Allocation Changes (Also complete Part III on pages 7 and 8.)

- 1 Attach a description of the inventory goods being changed.
- 2 Attach a description of the inventory goods (if any) NOT being changed.
- 3 If the applicant is subject to section 263A, is its present inventory valuation method in compliance with section 263A (see instructions)? ☐ Yes ☐ No
- 4a Check the appropriate boxes below.
- | | Inventory Being Changed | | Inventory Not Being Changed |
|---|-------------------------|-----------------|-----------------------------|
| | Present method | Proposed method | Present method |
| Identification methods: | | | |
| Specific identification | | | |
| FIFO | | | |
| LIFO | | | |
| Other (attach explanation) | | | |
| Valuation methods: | | | |
| Cost | | | |
| Cost or market, whichever is lower | | | |
| Retail cost | | | |
| Retail, lower of cost or market | | | |
| Other (attach explanation) | | | |
| b Enter the value at the end of the tax year preceding the year of change | | | |
- 5 If the applicant is changing from the LIFO inventory method to a non-LIFO method, attach the following information. (see instructions).
- a Copies of Form(s) 970 filed to adopt or expand the use of the method.
- b Only for applicants requesting advance consent. A statement describing whether the applicant is changing to the method required by Regulations section 1.472-6(a) or (b), or whether the applicant is proposing a different method.
- c Only for applicants requesting an automatic change. Attach the statement required by section 10.01(4) of the Appendix of Rev Proc 2002-9 (or its successor).

Part III Method of Cost Allocation (Complete this part if the requested change involves either property subject to section 263A or long-term contracts as described in section 460 (see the instructions).)**Section A – Allocation and Capitalization Methods**

Attach a description (including sample computations) of the present and proposed method(s) the applicant uses to capitalize direct and indirect costs properly allocable to real or tangible personal property produced and property acquired for resale, or to allocate and, where appropriate, capitalize direct and indirect costs properly allocable to long-term contracts. Include a description of the method(s) used for allocating indirect costs to intermediate cost objectives such as departments or activities prior to the allocation of such costs to long-term contracts, real or tangible personal property produced, and property acquired for resale. The description must include the following:

- 1 The method of allocating direct and indirect costs (i.e., specific identification, burden rate, standard cost, or other reasonable allocation method).
- 2 The method of allocating mixed service costs (i.e., direct reallocation, step-allocation, simplified service cost using the labor-based allocation ratio, simplified service cost using the production cost allocation ratio, or other reasonable allocation method).
- 3 The method of capitalizing additional section 263A costs (i.e., simplified production with or without the historic absorption ratio election, simplified resale with or without the historic absorption ratio election including permissible variations, the U.S. ratio, or other reasonable allocation method).

Section B – Direct and Indirect Costs Required To Be Allocated (Check the appropriate boxes in Section B showing the costs that are or will be fully included, to the extent required, in the cost of real or tangible personal property produced or property acquired for resale under section 263A or allocated to long-term contracts under section 460. Mark 'N/A' in a box if those costs are not incurred by the applicant. If a box is not checked, it is assumed that those costs are not fully included to the extent required. Attach an explanation for boxes that are not checked.)

	Present method	Proposed method
1 Direct material		
2 Direct labor		
3 Indirect labor		
4 Officers' compensation (not including selling activities)		
5 Pension and other related costs		
6 Employee benefits		
7 Indirect materials and supplies		
8 Purchasing costs		
9 Handling, processing, assembly, and repackaging costs		
10 Offsite storage and warehousing costs		
11 Depreciation, amortization, and cost recovery allowance for equipment and facilities placed in service and not temporarily idle		
12 Depletion		
13 Rent		
14 Taxes other than state, local, and foreign income taxes		
15 Insurance		
16 Utilities		
17 Maintenance and repairs that relate to a production, resale, or long-term contract activity		
18 Engineering and design costs (not including section 174 research and experimental expenses)		
19 Rework labor, scrap, and spoilage		
20 Tools and equipment		
21 Quality control and inspection		
22 Bidding expenses incurred in the solicitation of contracts awarded to the applicant		
23 Licensing and franchise costs		
24 Capitalizable service costs (including mixed service costs)		
25 Administrative costs (not including any costs of selling or any return on capital)		
26 Research and experimental expenses attributable to long-term contracts		
27 Interest		
28 Other costs (Attach a list of these costs.)		

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Part III Method of Cost Allocation (see instructions) (continued)**Section C — Other Costs Not Required To Be Allocated** (Complete Section C only if the applicant is requesting to change its method for these costs.)

	Present method	Proposed method
1 Marketing, selling, advertising, and distribution expenses		
2 Research and experimental expenses not included on line 26 above		
3 Bidding expenses not included on line 22 above		
4 General and administrative costs not included in Section B above		
5 Income taxes		
6 Cost of strikes		
7 Warranty and product liability costs		
8 Section 179 costs		
9 On-site storage		
10 Depreciation, amortization, and cost recovery allowance not included on line 11 above		
11 Other costs (Attach a list of these costs.)		

Schedule E — Change in Depreciation or Amortization (see instructions)

Applicants requesting approval to change their method of accounting for depreciation or amortization complete this section. Applicants must provide this information for each item or class of property for which a change is requested.

Note: See the *List of Automatic Accounting Method Changes* in the instructions for information regarding automatic changes under sections 56, 167, 168, 197, 1400I, 1400L, or former section 168. Do not file Form 3115 with respect to certain late elections and election revocations (see instructions).

- 1 Is depreciation for the property determined under Regulations section 1.167(a)-11 (CLADR)? ☐ Yes ☐ No
If 'Yes,' the only changes permitted are under Regulations section 1.167(a)-11(c)(1)(iii).
- 2 Is any of the depreciation or amortization required to be capitalized under any Code section (e.g., section 263A)? ☐ Yes ☐ No
If 'Yes,' enter the applicable section: _____
- 3 Has a depreciation or amortization election been made for the property (e.g., the election under section 168(f)(1))? ☐ Yes ☐ No
If 'Yes,' state the election made: _____
- 4a To the extent not already provided, attach a statement describing the property being changed. Include in the description the type of property, the year the property was placed in service, and the property's use in the applicant's trade or business or income-producing activity.
- b If the property is residential rental property, did the applicant live in the property before renting it? ☐ Yes ☐ No
- c Is the property public utility property? ☐ Yes ☐ No
- 5 To the extent not already provided in the applicant's description of its present method, explain how the property is treated under the applicant's present method (e.g., depreciable property, inventory property, supplies under Regulations section 1.162-3, nondepreciable section 263(a) property, property deductible as a current expense, etc).
- 6 If the property is not currently treated as depreciable or amortizable property, provide the facts supporting the proposed change to depreciate or amortize the property.
- 7 If the property is currently treated and/or will be treated as depreciable or amortizable property, provide the following information under both the present (if applicable) and proposed methods:
 - a The Code section under which the property is or will be depreciated or amortized (e.g., section 168(g)).
 - b The applicable asset class from Rev Proc 87-56, 1987-2 CB 674, for each asset depreciated under section 168 (MACRS) or under section 1400L; the applicable asset class from Rev Proc 83-35, 1983-1 CB 745, for each asset depreciated under former section 168 (ACRS); an explanation why no asset class is identified for each asset for which an asset class has not been identified by the applicant.
 - c The facts to support the asset class for the proposed method.
 - d The depreciation or amortization method of the property, including the applicable Code section (e.g., 200% declining balance method under section 168(b)(1)).
 - e The useful life, recovery period, or amortization period of the property.
 - f The applicable convention of the property.

Supporting Statement of:

1

1.

Description	Amount
E	

Total

Supporting Statement of:

Form 3115, p4-5/Sch A, Part I, line 1a

Description	Amount
ACCOUNTS RECEIVABLE	3,172.
GRANTS RECEIVABLE	52,622.
ACCOUNTS RECEIVABLE PARTNERSHIP FEES	203,450.
LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS	-187,500.
ACCRUED INTEREST RECEIVABLE	44,861.

Total

116,605.

Supporting Statement of:

Form 3115, p4-5/Sch A, Part I, line 1b

Description	Amount
DEFERRED REVENUE - GRANTS AND SERVICE UNITS	-374,187.

Total

-374,187.

Supporting Statement of:

Form 3115, p4-5/Sch A, Part I, line 1c

Description	Amount
ACCRUED WAGES	-21,163.
ACCOUNTS PAYABLE - VENDORS	-31,228.

Total

-52,391.

Supporting Statement of:

Form 3115, p4-5/Sch A, Part I, line 1d

Description	Amount
PREPAID INSURANCE	5,844.
Total	<u>5,844.</u>